

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
LIGHTYEAR NETWORK SOLUTIONS, LLC FOR)	CASE NO. LYC-T-04-1
A CERTIFICATE OF PUBLIC CONVENIENCE)	
AND NECESSITY TO PROVIDE LOCAL)	
EXCHANGE TELECOMMUNICATIONS)	ORDER NO. 29565
SERVICES.)	
)	

On April 12, 2004, Lightyear Network Solutions, LLC ("Lightyear" or "Company") filed an Application for a Certificate of Public Convenience and Necessity to provide facilities-based local exchange services to residential and business customers throughout Idaho in all exchanges which are not exempt from competition. Principally located in Louisville, Kentucky, Lightyear is a nationwide interexchange telecommunications carrier in all states but Alaska. Lightyear also provides local exchange services in 36 states. In the Notice of Application and Modified Procedure issued July 8, 2004, the Commission solicited comments regarding Lightyear's Application. Order No. 29545. No comments were received other than those submitted by Commission Staff. Based on the comments, the law and the record, the Commission grants Lightyear's Application.

THE APPLICATION

Lightyear proposes to provide local exchange services via unbundled network element platforms (UNE-P). Upon certification, the Company intends to offer service as soon as the early third quarter of 2004. The Company will offer these services in conjunction with its interexchange toll services, which include inbound and outbound interexchange telecommunications services. It also plans to offer bundled offerings consisting of local and long distance services combined with voice mail and other desired service features. Lightyear intends to offer operator assisted services to its own customers.

Lightyear intends to offer service in the geographic areas currently served by Qwest Corporation. Lightyear has an interconnection agreement with Qwest, which has been approved and is on file with the Commission. Order No. 29425. According to its Application, Lightyear will initially mirror the basic local calling scopes of the incumbent local exchange companies.

Lightyear asserts it has the managerial, technical and financial ability to provide local telecommunications services in Idaho. Lightyear anticipates the Idaho operations will require expenses for leasing UNE-P and additional administrative and sales overhead. According to its Application, Lightyear's incremental administrative and sales costs are not projected to be significant for the Company and no new funds or capital will be required to expand the Company's services in Idaho.

Lightyear believes approval of this Application is in the public interest because the proposed services will increase the competitive choices available to Idaho consumers. The Company argues that enhanced telecommunications competition will likely stimulate further economic development in Idaho and create incentives for all carriers to offer lower prices, more innovative services, and more responsive customer service.

Lightyear has reviewed the Commission's rules applicable to local exchange service providers and agrees to comply with those rules except to the extent the rules are explicitly waived for Lightyear or all carriers in its class. Lightyear specifically requests exception from the following rules: 1) Telephone Customer Information Rule 102.03 (31.41.02.102.03) – Press Release; 2) Telephone Customer Relations Rule 601 (31.41.01.601) – Directories and Customer Listing; and 3) any reporting requirements that are not applicable to competitive providers such as Lightyear.

STAFF COMMENTS

In its evaluation of the Company's CPCN Application, Staff discovered that there were two open slamming complaints on file with the Commission. These complaints were filed against the interexchange carrier arm of the Company. Upon notification of these complaints, Lightyear promptly resolved the complaints, which have subsequently been closed.

The Company has re-organized and was recently discharged from bankruptcy. Consequently, it has little debt. With its customer base, national presence and low debt ratio, it will most likely be financially viable and able to compete with Qwest. Lightyear currently has an interconnection agreement with Qwest on file with this Commission per Commission Order No. 29425. On July 15, 2004, the Company filed an Agreement to adopt Qwest's Statement of Generally Available Terms (SGAT). Case No. QWE-T-04-19.

Finally, the Company will not be collecting deposits; therefore, it will not need an escrow account as required in Commission Order No. 26665. Staff believes that Lightyear has

met all the requirements of the Commission's Rules and Procedural Order No. 26665 and recommends approval of its Application for a certificate along with the requested waivers.

COMMISSION FINDINGS

Based on the comments, the law and the record, the Commission grants the Application. When considering an application for a Certificate, the Commission must determine if the applicant has the necessary qualifications to provide service while still fostering competition in the local telecommunications market. Based upon our review of the filing and the record in this case, the Commission finds that Lightyear's filing satisfies the requirements of the Commission's Rules and Procedural Order No. 26665. *Id.* Thus, we approve Lightyear's Application for a Certificate of Public Convenience and Necessity (and requested waivers) to allow the Company to provide telecommunications services statewide. This is consistent with our previous Orders granting statewide authority to provide telecommunications services to carriers meeting the established requirements.

ORDER

IT IS HEREBY ORDERED that Lightyear Network Solutions, LLC is granted a Certificate of Public Convenience and Necessity to provide basic local exchange services within the State of Idaho.

THIS IS A FINAL ORDER. Any person interested in this Order or in interlocutory Orders previously issued in this case may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

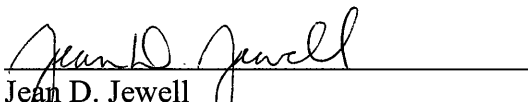
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho, this 19th
day of August 2004.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER

Out of the Office on this Date
DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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